



2007 Fall Caravan

Professional Responsibility – 6 hours Required*

* (this course is not approved for continuing education hours for appraisers)

Presented by Sylvia Shelnutt, DREI

Wed., October 3 – Rapid City Ramkota, Rushmore Rm. – 2111 N. LaCrosse St.

Thur., October 4 – Deadwood, Comfort Inn – 225 Cliff Street

Fri., October 5 – Pierre Ramkota, Amphitheatre II – 920 W. Sioux Ave.

Mon., October 8 – Aberdeen Ramada – 2727 6th Ave. SE (NEW LOCATION)

Tue., October 9 - Watertown Ramkota/Event Center, - 1901 9th Ave. SW

Wed., October 10 – Sioux Falls Great Plains Zoo - 805 S. Kiwanis (NEW LOCATION)

Thur., October 11 – Sioux Falls Great Plains Zoo – 805 S. Kiwanis (NEW LOCATION)

Please note there are several NEW LOCATIONS for this caravan.

Registration begins at 8:15 a.m. Course is scheduled from 9 a.m to 4 p.m.

Pre-registration is required to guarantee admission and is **STRONGLY ENCOURAGED**.

Deadline to pre-register is 5 days prior to each session.

Registration Fee: \$50.00 (including cookies during morning break)

The Commission will retain \$20 of any refunded registration fee.

The SDREC has a strict attendance policy and expects participants to attend the entire session.

For special needs or access assistance, call the Commissions office at (605) 773-3600.

Registration Form can be found on the BACK of this newsletter.

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A Letter from the Chairman

It is that time of year when all the youngsters head back, or in some cases, off to school. It seems like only yesterday that I was the one taking off for school, but how quickly the tables of time have turned on me as I send my oldest off to 1st grade. How did this happen so quickly??

I guess the point I am trying to make is for you to take a few moments and reminisce about the good old days of being a kid, or youngster, when all you really cared about was who you were going to meet at the playground, whose birthday party were you going to get invited to, or where was the party this weekend (for those who miss the college days). OK...that was fun, but, opens your eyes, back to reality. Not only are the kids heading back to school, but should you? Now would be a good time to review your CE credits as license renewal is closer than you think.

The Fall Caravan, which will be held this October, is a great opportunity to satisfy some of your CE with will review license law, agency, ethics...you know, all the exciting reasons why you chose this profession. The registration form and other information can be found in this issue.

The Commission was recently called to appear before the Government Operations and Audit Committee for a second time. As many of you know, Boards and Commissions are being asked to appear in front of this Committee to explain fees, expenses, etc., pertaining to their budgets. I wish to commend our Executive Director, Dee Jones Noordermeer, and Commissioner Dennis Eisnach of Pierre, for representing this Commission and industry with professionalism and dignity during this meeting. Hopefully the information that was provided to GOAC will allow us to be excused from future meetings.

Lastly - big changes in the mortgage world. Mortgage companies are filing for bankruptcy protection, tapping lines of credit to stay operating, and many are tightening underwriting standards and loan guidelines. Please keep this in mind as you counsel your buyer or seller...getting underwriting

approval to buy a home may not be as uncomplicated as it used to be for those who may have a shaky credit history or income that is hard to verify. Hopefully, with conventional financing, we will not see many, if any, changes.

Thanks for your time and enjoy the Fall Caravan.

Until next issue,
Brian



From the Director's Desk

It's been a busy summer in the Commission office and getting busier!

The Commission is under review by two legislative committees. The Sunset Review Committee has been meeting with staff from the Department of Revenue and Regulation. The purpose of these meetings is to justify the existence of the Department, which also includes the Real Estate Commission.

The Government Operations and Audit Committee is reviewing the fund balances of all boards and commissions. Under discussion is where to place funds deemed by the committee to be in excess of what the committee feels should be in regard to available cash balances. A couple of suggestions made by committee members have been (1)to scrape any excess funds held by boards and commission and deposit them elsewhere in state government and (2)the creation of a litigation pool that could be used to cover legal costs incurred when a board or commission decision goes under appeal. By the time you read this, the Commission will have made its second appearance in front of this committee.

Rice Insurance Services Company will once again providing group coverage of errors and omissions insurance to qualifying licensees. The premium for 2008 will be \$130, a drop of \$10 from last year.

It has come to my attention that some of you are writing purchase agreements and signing them on behalf of a buyer without obtaining a power of attorney or written permission to do so. According to the Commission's legal counsel, a purchase

agreement signed in this way is not a valid offer to purchase. Therefore, you cannot expect the seller's agent to deliver it to the seller and you are not protecting your buyer.

I recently returned from meetings in New Orleans. It has been two years since Hurricane Katrina and the devastation that resulted from her wrath can still be seen. It makes you realize how quickly things can change. One of the speakers at the meeting who owns several offices discussed his disaster plan and how he dealt with this emergency. I'm hoping he will come and speak in South Dakota at one of our caravans.

It's that time of year again to be watching for school children. Drive safely.

DjN

IRS Income Verification Express Service (IVES) Processing

(Article courtesy of the Internal Revenue Service)

In October 2006, the Internal Revenue Service began the Income Verification Express Service (IVES) program, offering electronic delivery of IRS transcripts and records available upon submission of IRS Form 4506-T, Request for Transcript of Tax Return.

IVES provides two-business day processing and delivery of return transcripts. The new service replaces the existing process that required manual pick-up and delivery of transcripts from the IRS Return and Income Verification Services (RAIVS) units located across the country.

The new service automates the delivery portion of the process. Customers must now log on to IRS.gov to retrieve their requested transcripts from a secure mailbox located on the e-Services electronic platform.

The "front end" of the process remains the same. Customers will still need to fax the signed Form 4506-T, Request for Transcript of Tax Return, to the one of the three designated RAIVS units.

For details on participation in the IVES program and submission of requests, including fees and payments, please refer to www.irs.gov (keyword IVES).



Fall Caravan Featured Speaker: Sylvia Shelnutt

The fall caravan featured speaker is Sylvia Shelnutt from Jonesboro, GA. She brings experience, integrity, enthusiasm and humor into her presentations. Here are a few of her accomplishments and credentials:

- Owner of: Sylvia Shelnutt Training and Seminars, Tri Star Real Estate Inc. and Sylvia Shelnutt Realty
- Developer of the training series "Real Estate in a "NUTT-SHEL"
- Has written over 60 real estate courses approved by the Georgia Real Estate Commission for continuing education credit
- Certified to teach Real Estate in: Georgia, Alabama, South Carolina, Tennessee, Louisiana and Texas
- Named by NAR as one of the Top 10 One America Cultural Diversity instructors nationally in 2002
- Served on the NAR Equal Opportunity/Cultural Diversity Committee
- Introduced the ABR designation to the Realtor® Associations in Georgia in 1997 and has taught over 3000 ABR students since
- ABR online instructor for the United States and Canada
- Named "Educator of the Year for 2000" by the Georgia Real Estate Educators Association
- Served as President of Georgia Real Estate Educators Association
- Served as a member of the Real Estate Educators Association National Board of Directors since 2000
- President Elect of the Real Estate Educators Association
- Holds the "Distinguished Real Estate Instructor Designation" awarded by the Real Estate Educators Association
- Graduate of the Instructor Training Institute
- Instructor for Georgia Real Estate Commission "Georgia Instructor Training Workshop"

- Instructor for "Distinguished Real Estate Instructor Designation Workshop" and the "Instructor Development Workshop" taught through the Real Estate Educators Association

- Served as officer and committee chairman in numerous capacities in both the local and state Associations of Realtors® in Georgia

New Seller's Property Condition Disclosure Statement

A minor change to the Seller's Property Condition Disclosure Statement took effect on July 1st. Senate Bill 127 was enacted to require disclosure of known contamination of waterways. The updated form is available on the SDREC website at www.state.sd.us/sdrec.

The Real Estate Commission office suggests that for all properties not under contract as of July 1, a new disclosure be obtained from the sellers.

Disciplinary Action

The following disciplinary actions have become effective since the last report in the newsletter, excluding cases currently on appeal. A Stipulation and Assurance of Voluntary Compliance is a settlement agreement between licensees and the Real Estate Commission and constitutes neither an admission nor a denial of any violation.

Velma Raben, Rapid City, Broker and Raben Real Estate; Nancy Randolph, Rapid City, Broker Associate. Findings of Fact, Conclusions of Law, and Order. It is ordered that Randolph and Raben each be required to pay a penalty in the amount of \$250, that they reimburse the Commission for all its expenses related to the proceeding in the amount of \$1318.30 and both Randolph and Raben complete six hours of continuing education in contracts and six hours of continuing education in agency within one year.

Violation of SDCL 36-21A-71(30) – Randolph's actions potentially exposed a client to multiple commissions and encroached upon contractual rights of another agency;

Violation of SDCL 36-21A-71(31) – Randolph's actions interfered with an existing contract between client and another agency and thus failed to deal fairly with all parties to a transaction;

Violation of SDCL 36-21A-71(32) – Randolph's actions in taking a listing on a property already listed with another licensee constitutes incompetence in her lack of knowledge of her obligations to promote the interests of the client with the utmost good faith, loyalty and fidelity.

Violation of SDCL 36-21A-79 – Raben failed in her obligation as responsible broker to supervise Randolph in her real estate activities.

South Dakota Real Estate VIEW

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Articles by outside experts express the author's particular viewpoints. These opinions are not necessarily shared by the Commission, nor should they be mistaken for official policy. The articles are included because they may be of interest to the readers.

Real Estate News from Around the U.S.

(used with permission from ARELLO)

Wyoming Amends Branch Broker Residency Rules, Appraiser Laws Enhanced

Wyoming has enacted several new statutory provisions that modify the state's real estate broker and appraiser license laws. House Bill 226 eliminates a provision that required real estate branch office supervision by a licensed broker "who resides in the community in which the branch office located." Other branch office supervision requirements remain unchanged. H.B. 226 also repeals a statute that required non-resident brokers to maintain a place of business in Wyoming if the non-resident broker's home state placed similar requirements on Wyoming brokers. Senate Bill 139 replaces general errors and omissions rulemaking authority with a detailed set of statutory criteria for the licensed broker E&O program. Wyoming's House Bill 224 transfers certain authority involving appraiser regulation from the Real Estate Commission to the Certified Real Estate Appraiser Board, requires appraiser fingerprinting and criminal background checks and adds the authority to impose fines of up to \$2500 for each appraiser offense. The legislation also adds the authority to impose probation. The new law includes a disciplinary provision requiring appraiser licensees to report civil or criminal proceedings involving appraisal services.

Iowa to Regulate Out-Of-State Referral Fees

The Iowa state legislature has passed a bill that affects working arrangements between Iowa real estate licensees and out-of-state brokers. The bill prohibits an Iowa real estate licensee from participating in any marketing plan or arrangement with a broker licensed in another state or foreign country that is otherwise prohibited by Iowa's current laws dealing with the payment of referral fees and rebates. The provision specifically provides that the new prohibition is not intended to impact or alter a referral fee structure that otherwise complies with Iowa law. The new Iowa statute will also require out-of-state brokers who refer real estate business to an Iowa licensee to make a written disclosure to the consumer and to the Iowa licensee. The disclosure must contain

the name of the consumer being referred, the name of the referring company and the amount of the referral compensation being received. This provision does not affect or restrict business payment methods between listing and selling brokerages and is applicable only to properties containing one to four dwelling units.

Renewal Notice Reminder

License renewal forms will be mailed out in early October for licenses that expire at the end of 2007.

If your education is not completed, NOW is the time to take some courses! Brokers – please make sure your agents have met all requirements for renewal.

Continuing Education Corner

By Karen Callahan, Education Director

The popularity of distance education is on the rise in South Dakota. More and more people are completing at least a portion, sometimes all of their continuing education requirements on-line. There are many benefits to these internet-based courses. They're convenient, require no travel and are self-paced, allowing people as much time as necessary to absorb the educational material while in the comfort of their own homes.

However, a disconcerting trend has emerged for some of those completing all of their hours via distance education: repeating courses. This is not a matter of a course being re-taken from time to time, but rather completing all of the same exact courses again and again for each licensing period.

Some industry groups require their members to complete specific courses on a regular basis, such as ethics. This is a good practice as it helps to raise the level of professionalism in the industry. In other cases, licensees choose to repeat an occasional class, such as agency relationships or fair housing, due to the complex nature of the material or new legal implications. These examples would indicate a person's desire to gain a thorough understanding of a topic, which is precisely the goal of continuing education.

But what if an education report shows that a person completed the same five courses for their 2002, 2004 and 2006 license renewals? Is this person's true objective to be better educated? Probably not. The likely reason for doing this is simply to breeze through familiar courses and put forth the least amount of effort while still complying with the mandatory minimum education requirements.

With over 100 distance learning courses currently approved for continuing education in addition to the many classroom opportunities, dodging the true intent of the education requirements by repeating the same courses is a poor choice, both professionally and financially. Money spent on a course where the participant knows the material verbatim is money wasted. Get the most value out of your education dollars by choosing courses that will broaden your scope of knowledge or allow you to specialize in a given area. As technology improves and new generations of homebuyers hit the market, real estate agents must stay informed of emerging trends and changing environments now more than ever before.

Education is the very thing that makes real estate a profession. Licensees of any given vocation are viewed by the public as having expertise in that field. This expertise cannot be achieved without the learning process. Cutting corners on education serves no purpose other than to undermine the integrity of this important profession.

New Licensees

The South Dakota Real Estate Commission would like to welcome the following new licensees.

Broker

Ayala, Kari K – New Orleans, LA
Behm, Bruce A – Plymouth, MN
Christensen, Sue K – Vermillion
Dill, Richard M – Le Mars, IA
Edney, Jon A – El Centro, CA
Hurlbut, Jr., Robert E – Rapid City
Jermusek, Frank A – Andover, MN
Jordan, Patricia J – Minneapolis, MN
Klapprodt, Kevin – Rapid City
Klontz, Stephen F – Redmond, OR
Post, Doran J – Omaha, NE
Van Veldhuizen, Lee – Sioux Center, IA
Watson, John B – Westcliffe, CO

Broker Associate

Anderson, Verdelle F – Lake Norden
 Bierstedt, Roger – Huron
 Brun, Toni L – Spearfish
 Burman, Duane A – Sioux Falls
 Charlson, Steven C – Spearfish
 Chenoweth, Kim J – Lead
 Christensen, Robert F – Presho
 Clement, Elizabeth A – Sturgis
 Cox, Danny A – Rapid City
 Coy, Laurie J – Rapid City
 Delzer, Judith A – Spearfish
 Dickes, David J – Sioux Falls
 Edrich, Noel S – Beresford
 Etter, Mary R – Spearfish
 Fenske, Corissa M – Rapid City
 Foley, Sara M – Brandon
 Gourley, Paul H – Sioux Falls
 Gourley, Richard W – Sioux Falls
 Grass, Tammy K – Lead
 Grimm, Jaye A – Sioux Falls
 Heaton, Dustin A – Watertown
 Heil, Jacqueline K – Mobridge
 Hiten, Dorinda R – Rapid City
 Hoffman, Peggy J – Watertown
 Huber, Wayne – Sioux Falls
 Huck, Beth A – Spearfish
 Jamison, Robert E – Sioux Falls
 Jenkins, Kelli A – Huron
 Johnson, James C – Sioux Falls
 Johnson, Michael D – Box Elder
 Kanten, Mace T - Revillo

Kessler, Jackie J – Mitchell
 Kirchhevel, Jennifer L – Sioux Falls
 Kjos, Peter W – Rapid City
 Knox, Erica M – Yankton
 Knutson, Jaima M – Rapid City
 Kuiper, Shannon P – Sioux Falls
 LaQua, Jennifer N – Sioux Falls
 Lentsch, Bruce L – Volga
 Lutter, Alisa – Redfield
 Morris, Nicolette R – Rapid City
 Mudlin, Mitch – Rapid City
 Murray, Daniel S – Spearfish
 Namminga, Stacey – Beresford
 Pajor, Andy G – Sioux Falls
 Palmer, Gary S – Yankton
 Pals, Thad A – Sioux Falls
 Pangburn, Christopher J – Spearfish
 Phillips-Lundie, Tammy M – Rapid City
 Pigsley, Steven L – Black Hawk
 Pillar, Joseph S – Sioux Falls
 Puthoff, Kathy A – Sioux Falls
 Rettig, Lee – Tabor
 Rose, Michael J – Mitchell
 Selberg, Marshall A – Sioux Falls
 Smith, James R – Sioux Falls
 Smith, Lorie L – Watertown
 Sprecher, Marian C – Huron
 Staniech, Brenda M – Mission Hill
 Stockberger, Stefanie A – Sioux Falls
 Strickholm, Kellie K – N. Sioux City
 Terrill, Carol – Mitchell
 Wagner, Christy M - Aberdeen

Wilson, Catherine M – Brandon
 Wood, Shawn A – Black Hawk

Reg. Home Inspector

Johnson, Kent W – Sioux Falls

Res. Rental Agent

Agneau, Karryn L – Pierre
 Andersen, Carol R – Sioux Falls
 Austin, Mandy L – Viborg
 Cornelius, Donna C – Sioux Falls
 Hart, Autumn E – Spearfish
 Johnson, Sara C – Tea
 McLane, Isabel M – Tea
 Quisenberry, Jeanine M – Fort Pierre

Salesperson

Bolduc, Janet L – Ortonville, MN
 Campbell, Roger – Kingsley, IA
 Clark, Jordan P – Omaha, NE
 Crull, Jeffery L – Sioux City, IA
 Deurloo, Elizabeth L – Sioux City, IA
 Esponda, John A – Buffalo, WY
 Huenink, Ivan D – Ireton, IA
 Kakacek, Amy – Sioux City, IA
 Novak, Amy L – Ortonville, MN
 Olson, Mary L – Madison, MN
 Wasmund, Robert – Worthington, MN
 Weishaar, Sarah B - Lemmon

Time Share Agent

Carr, Robert M - Lead

APPRAISER UPDATE

This section of the South Dakota Real Estate Review is the responsibility of the South Dakota Department of Revenue and Regulation Appraiser Certification Program. Articles are printed here to communicate pertinent information to those appraisers who receive this newsletter and are licensed under the Certification Program. Appraiser certification inquiries can be directed to Sherry Bren, Program Administrator, 445 East Capitol, Pierre, SD 57501, 605-773-4608

Appraiser Certification Program Mission–Purpose– Intent

The Appraiser Certification Program was implemented July 1, 1990, pursuant to enactment of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) by Congress. The mission of the Program is to certify, license and register appraisers to perform

real estate appraisals in the state of South Dakota pursuant to Title XI (FIRREA).

The purpose of the Program is to examine candidates, issue certificates, investigate and administer disciplinary actions to persons in violation of the rules, statutes and uniform standards, and approve qualifying and continuing education courses. Title XI intends that States supervise all of the activities and practices of persons who are certified or licensed to perform real estate appraisals through effective regulation, supervision and discipline to assure their professional competence.

Appraiser Certification Program Advisory Council

Council members provide recommendations to the Secretary of the Department of Revenue and Regulation in the areas of program administration in order to sustain a program that is consistent with Title XI. The Council meets quarterly in public forum. See the Website for meeting information. www.state.sd.us/appraisers

Notice State-Registered Appraisers

Effective December 27, 2005 state-registered appraisers must report the name of each supervising appraiser and maintain a separate Appraisal Experience Log for each supervising appraiser. For more information, please visit our Website at www.state.sd.us/appraisers.

Notice to SD 1000 Hour State-Licensed Appraisers

Dept. of Housing and Urban Development
(HUD) Appraiser Qualifications for
Placement on FHA Single Family
Appraiser Roster And Other Appraiser
Client Requirements

HUD and possibly other appraiser clients require state licensed or certified appraisers to have professional credentials that are based on minimum licensing/certification standards issued by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation.

The AQB recommends 2,000 hours of appraisal experience for the state-licensed appraiser classification. South Dakota requires only 1,000 hours of appraisal experience for the state-licensed appraiser classification. In 1993, based on testimony by South Dakota appraisers, the Department elected to lower our requirement to 1,000 hours of appraisal experience for the state-licensed appraiser classification rather than continue with the AQB recommended 2,000 hours of appraisal experience.

As a result, the Department of Revenue and Regulation, Appraiser Certification Program entered into an agreement with HUD to place the number "1000" in front of the certificate number indicating the appraiser has 1,000 hours of appraisal experience. HUD will not accept appraisals from an appraiser with the "1000" in front of the certificate number.

The Appraisal Subcommittee of the Federal Financial Institutions Examination Council is responsible for maintaining the National Registry which is a national roster of licensed and certified appraisers used as a reference for lender/clients. A recent

requirement is that the 1,000 hour state-licensed appraisers be shown to be AQB noncompliant on the National Registry until the 2,000 hours of experience is achieved. As a result, there are appraiser clients that require the AQB recommended 2,000 hours of experience and will not accept appraisals from an appraiser with 1,000 hours of appraisal experience.

Once an appraiser has achieved 2,000 hours of appraisal experience he or she should contact the Department for the procedure for removal of the "1000" in front of the certificate number and change of status on the National Registry from AQB noncompliant to AQB compliant. HUD and other appraiser clients recognize these appraisers as having the professional credentials that are based on the minimum licensing/certification standards issued by the Appraiser Qualifications Board of the Appraisal Foundation and are eligible to be placed on the HUD Appraiser Roster or to perform appraisal assignments provided the appraiser meets all other required HUD or appraiser client criteria.

If you have questions or if you would like to have more information, please contact the Appraiser Certification Program.

Most Common USPAP Violations Series: Does Your Disclosure of Assistance Violate USPAP?

**[Article written by Craig Steinley,
Consultant for the Department of
Revenue and Regulation]**

The appraisal profession is like many others in that a licensed or certified appraiser will often eventually rely on the work of one or more assistants to complete an assignment. When that happens, it seems to be well known that the principal appraiser is ultimately personally responsible for the contents of the work product presented to the client. What is less well understood is the USPAP compliant way in which the appraiser is required to report the assistance that they have received.

Clients that require a licensed or certified appraiser, along with the agencies and entities responsible for the oversight of federally

related transactions, have become more concerned recently with the growing participation of unlicensed and uncertified assistants in the appraisal process. This is especially true when these individuals provide assistance in developing the analysis, valuation, opinions, or conclusions associated with the appraisal assignment. Although several states now regulate the entry level practitioner or "trainee" (such as South Dakota's state-registered real estate appraiser classification), most do not require them to always sign an appraisal certification. Even their contribution to the appraisal, then, may not be easy for the client or other intended users to discern. In response to these trends, consumers of appraisal services have increasingly demanded full disclosure and transparency from the profession. Unfortunately, some appraiser's long-standing customs and habits with regard to disclosing the use of an assistant(s) repeatedly create a USPAP violation.

The applicable requirement concerning the disclosure of significant real property appraisal assistance occurs in **Standards Rule 2-3**. It outlines the content of the required certification in each written appraisal report as follows:

- The statements of fact contained in this report are true and correct.

- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions and conclusions.

- I have no (or the specified) present or prospective interest in the property that is the subject of this report and no (or the specified) personal interest with respect to the parties involved.

- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.

- My engagement in this assignment was not contingent upon developing or reporting predetermined results.

- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.

- I have (or have not) made a personal inspection of the property that is the subject of this report. (If more than one person signs this certification the certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.)

- No one provided significant real property appraisal assistance to the person signing this certification. (If there are exceptions, the name of each individual providing significant real property appraisal assistance must be stated.)

The potential for a USPAP violation when relying upon an assistant(s) occurs in the last statement. It requires that whether registered/licensed/certified or not, an individual that provides significant real property appraisal assistance and does not sign a certification must be specifically named. Because preprinted forms are often inserted into the report to comply with this Standards Rule, the required disclosure by name in the certification can be overlooked.

Customarily, once the client or other intended user becomes aware via the certification that the principal appraiser was provided significant real property appraisal assistance, they want to know the details of the assistant's participation. Depending upon the reporting option, USPAP requires that the report describe, summarize, or state the extent of the assistance (for a Self-Contained, Summary, or Restricted Use Appraisal Report, respectively) in the Scope of Work [see USPAP lines 757, 838, or 903].

Remember, to comply with USPAP you must BOTH list the name of anyone providing significant real property appraisal assistance in the signed certification AND clarify their contribution in the Scope of Work.

To further your understanding of the proper use and proper reporting of significant real property appraisal assistance in an appraisal report, refer to Advisory Opinion 5 – Assistance in the Preparation of an Appraisal. Additionally, the Department's website at <http://www.state.sd.us/drr2/reg/appraisers/appraiser.html> is a helpful reference.

2007 Renewal

Notice! The 2007 renewal applications were due in the Appraiser Certification Program office by August 17, 2007. Please submit your renewal application, renewal fees and verification of 28 hours of approved continuing education which includes the 7-hour National USPAP update course as soon as possible. (The 15-hour national USPAP Course may not be submitted in lieu of the 7-hour National USPAP update course.)

New Licensees – June/July 2007

Scott Elwood, State-Registered – Sioux Falls, SD

Myra J. Wilcox, State-Registered – Rapid City, SD

LaZanne M. Martinez, State-Registered – Rapid City, SD

Dennis E. Vogan, State-Certified General – Overland Park, KS

USPAP Q & A

Vol. 9, No. 6, June 2007

Is an AVM an Appraisal?

Question: Are the results from an Automated Valuation Model (AVM) an appraisal?

Appraiser's USPAP Obligations When Using an AVM

Question: What are an appraiser's USPAP obligations when using an Automated Valuation Model (AVM)?

Vol. 9, No. 7, July 2007

Appropriate Workfile Retention and Access Arrangements

Question: USPAP requires an appraiser who is not in custody of his or her workfile to make "appropriate" retention and access arrangements; what does this mean?

Can Access to a Workfile Be Denied?

Question: Two appraisers perform an appraisal assignment together. Appraiser A retains the workfile and Appraiser B has made access and retrieval arrangements. Are there any conditions under which USPAP allows Appraiser A to deny Appraiser B access to the workfile?

Proper Analysis of Agreement of Sale

Question: I understand that Standards Rule 1-5(a) requires the appraiser to analyze an agreement of sale (if available in the normal course of business). What constitutes proper "analysis?"

Answers to the above questions can be found at: www.appraisalfoundation.org.

[For further information regarding USPAP Q&As contact The Appraisal Foundation at: www.appraisalfoundation.org]

Information Regarding Disciplinary Actions

Public information regarding disciplinary action taken against an appraiser is available upon written request to the Department of Revenue and Regulation, Appraiser Certification Program, 445 East Capitol Avenue, Pierre, SD 57501 or e-mail – Sherry.Bren@state.sd.us. Include in the request for information the name of the appraiser and the appraiser's city and state of residence. (Disciplinary action may include denial, suspension, censure, reprimand, or revocation of a certificate by the department. (ARSD 20:14:11:03)

Review of Cases – 1/1/07 – 8/15/07

For the period January 1, 2007 through August 15, 2007 the Department has received 12 upgrade applications, 2 new applications claiming experience and initiated 5 complaint investigations.

Upgrades – 3 pending, and 9 issued

New Applications Claiming Experience – 1 denied and 1 agreed disposition

Complaints – 1 pending hearing, 3 dismissed with no action, and 1 pending investigation

Deadline Approaching for Upgrades

December 31, 2007 is the deadline for submitting an upgrade application for state-licensed, state-certified residential or state-certified general appraiser under the current education requirements. Please contact the Appraiser Certification Program office to obtain information for upgrade to a higher appraiser classification.

2007 Fall Caravan Registration Form – Professional Responsibility

One registration form per person!

Name _____ License Number and Type _____

(Mailing Address) (City) (State) (Zipcode) (Daytime Phone)

Please check which you would like to attend. Registrations left blank will be returned.

- | | | |
|--|---|--|
| <input type="checkbox"/> Rapid City – October 3
Ramkota | <input type="checkbox"/> Deadwood – October 4
Comfort Inn – NEW LOCATION | <input type="checkbox"/> Pierre – October 5
Ramkota |
| <input type="checkbox"/> Aberdeen – October 8
Ramada – NEW LOCATION | <input type="checkbox"/> Watertown – October 9
Ramkota | <input type="checkbox"/> Sioux Falls – October 10
Great Plains Zoo – NEW LOCATION |
| <input type="checkbox"/> Sioux Falls – October 11
Great Plains Zoo – NEW LOCATION | | |

Registrations received by phone or fax will NOT be accepted. The registration fee of \$50 must accompany this form. The Commission will retain \$20 of any refunded registration fee.
Registrations should be mailed to SDREC, 221 W. Capitol Ave., Suite 101, Pierre, SD 57501.

Registrations are due 5 days before the event.

◆ ----- ◆
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